

FISCAL NOTE

HB 3084 - SB 3504

March 9, 2006

SUMMARY OF BILL: Authorizes county mutual insurance companies (CMICs) to write broader coverage. Requires CMICs to maintain reinsurance policies. Authorizes the Commissioner of Commerce and Insurance to assess remaining CMICs in the event of a CMIC insolvency. Requires CMIC agents to become fully licensed insurance producers. Requires CMICs to file their rates with the Commissioner for review.

ESTIMATED FISCAL IMPACT:

Increase State Revenues – Not Significant

Increase State Expenditures – Not Significant

Assumptions:

- An increase in state revenues from the collection of additional licensing fees. Currently there are approximately ten CMIC agents so any increase will be not significant.
- A not significant increase in state expenditures to review rate filings and to implement the provisions of this bill.
- Any assessments to CMICs made by the Commissioner will not be able to be taken as a credit against the premium tax and therefore will not affect state revenues.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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